Dear Mr. Robinson,

Thank you for your thoughtful reply of February 27 to my letter to you of February 21 concerning the effect of DCI Stansfield Turner's actions on the CIA's clandestine service.

I commend three questions to you as you consider this matter. The key to your conclusions about each, as you appropriately suggest, is "the information laid before the Committee." I urge you to be satisfied that the information is both complete and candid as Turner and others from the Agency present it to you; not just satisfied -- but sure.

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Question: were the cuts in personnel in the DDO really necessary, really appropriate, and what standard was used to determine this? The numbers are not great, if saving money was the purpose, and only are to be left to do the vital work for 200 million Americans and the rest of the world that shares our ideals and our way of achieving them and protecting them. Newsweek's article entitled "Space-Age Spies" in its 6 March 1978 issue gives chilling evidence of how the DDO's Soviet counterparts continue to play the game: hard, and for keeps.

Question: was it fair to oust conscientious officers so precipitately, without warning or preparation for their future? The Agency's Out-Placement service is hard at work finding jobs for those who received their firing notices on last November 1; I learned last Friday from a senior person in the Office of Personnel, whose efforts I respect, that a grand total of three officers have been placed to date. Three outside the Agency, that is. How many more are waiting of the 200 purged, or how the next 600 will fare, I do not know. The

Question -- the heart of the matter: what impact do the Turner ousters have or portend for the DDO? I understand that Jack Blake, Deputy Director for Administration and Acting Deputy Director until Frank Carlucci came on, told a staff meeting recently that it would be four to five years before the DDO recovered its effectiveness. Blake is a candid man. I think he is optimistic. Even if he is not, I think a crippled DDO is something the US need not, and should not, tolerate.

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Dear Mr. _____,

| 3 | Your | 16 | etter | to | me | of | | | | has | bee | n |
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| studied | and | Ι | would | 1 | ike | to | comment | on | several | of | the | points |

you raise. You asked that I focus on three particular questions.

You ask that I satisfy myself that Agency representatives have been both candid and complete in their testimony to Congressional committees on the matter of the DDO reductions. I am completely satisfied with the truthfulness of the representations that have been made to me by Director Turner and other Agency officials on this matter.

You next raised the question as to the appropriate personnel level for the DDO. I am willing to concede that the level of personnel authorized for the DDO is a matter upon which honest men may disagree. This involves, obviously, a judgmental factor. I again recently heard testimony on this matter, and I find no reason to challenge the judgment that has been exercised in establishing the DDO personnel level.

As to the manner in which the first phase of the DDO cut was accomplished, Admiral Turner himself has stated that, in retrospect, it could have been handled in a more acceptable fashion. I am assured that lessons have been learned from

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this matter. You then go on to say ". . . 200 purged, or how the next 600 will fare . . . " I believe there are some facts available which put this matter in a different light. From everything I have learned about the personnel reductions, I believe that the Director has attempted to be as compassionate as possible in order to minimize personal hardship. For example, he extended employment to 31 December 1979 of individuals who had received separation notices if they would earn a retirement annuity by that date. For some, this not only provided continued employment for a substantial period of time, but also allowed these individuals to earn and retire on an immediate annuity. When he learned that 16 individuals would qualify for retirement during the period 1 January 1980 through 31 December 1983, the Director instructed the Office of Personnel to concentrate on finding reassignments for this group. Of the 16 individuals, 12 have been reassigned elsewhere in the Agency, and there is strong hope for three others. Only one of this group has resigned after declining any attempt at reassignment. if the Agency is successful in reassigning three more of this group, all but one individual of the total number who received separation notices will be able to leave the Agency with a retirement annuity, if eligibility can be achieved through December 1983. You recognize, of course,

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that this is more than six years from the date when the separation notices were issued. Of the number of individuals who have requested reassignment and for whom reassignments have not yet been made, 49 will be able to receive an immediate annuity upon their eventual separation and 14 are not eligible. I know you will be pleased to learn that thus far 47 of those individuals who had received separation notices have been reassigned elsewhere in the Agency, and 12 more are under serious consideration.

With respect to the Agency's efforts to locate positions for these individuals outside of the Agency, 84 employees have requested such assistance. While only four have located employment thus far, you should recognize that this is a more timely process; many of these individuals believe there is active interest in them, and the Agency believes that employment offers will be received. I think both of us must realize that external placement is a matter in which the Agency only can be helpful, but cannot ultimately control.

You infer that 600 additional people will be separated.

I can assure you, Mr. ______, that nowhere near that number is being considered and never has been, and that indeed, a considerably lesser number is involved than was in the first exercise.

I can appreciate your sincere concern in this matter as well as your personal involvement. Personnel reductions,

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under any conditions, are painful exercises troubling both management and the people involved. As I mentioned before, however, I have followed this matter and have no particular criticism to level on Agency action to date.

Sincerely,

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| $D\epsilon$ | ar | Mr. | , |
|-------------|----|-----|---|
| | | | |

I appreciate your second letter dated March 1 regarding personnel reductions in the DDO. I can appreciate your concern as well as your personal involvement in this matter. I too have been concerned and have looked into the matter in some depth. I want you to know that I have satisfied myself that the representations made to me by Admiral Turner and other Agency officials have been truthful and complete.

Personnel reductions even under the best of conditions are painful exercises and involve a number of judgmental factors on which even experts can disagree. One important decision concerns the number of people the DDO needs to fulfill its responsibilities. I recall recently hearing testimony on this point, which together with information previously provided, gives me no reason to challenge the judgment made establishing the appropriate DDO personnel level. Experience, of course, will be the final arbiter but for the moment I must accept the judgment of Admiral Turner and other responsible officials that the effectiveness of the DDO has not been impaired. Of course, I shall be particularly watchful of future developments in this area.

Regarding your concerns with the manner in which the initial phase of the DDO reductions was accomplished, Admiral Turner himself

has stated that, in retrospect, it could have been handled in a more acceptable fashion. I am assured that the lessons learned during the initial phase will be an important ingredient of the second phase. Granting that the initial steps taken in the reduction might have been handled differently, from what I have learned, Admiral Turner has since acted with compassion to minimize personal hardship. I believe a few facts and figures which I have been given will demonstrate this.

First, employment has been extended to December 31, 1979 of all individuals receiving separation notices if such persons will have qualified for retirement by that date. This will not only provide continued employment for a substantial period of time but also will insure an immediate annuity.

Secondly, considerable effort has been made to reassign elsewhere in the Agency all employees who have indicated an interest in reassignment. I know you will be pleased to learn that thus far 52 have been reassigned and 5 more are under serious consideration. When it was learned that 16 employees who received separation notices would qualify for retirement between January 1, 1980 and December 31, 1983 (more than six years after separation notices were issued), Admiral Turner instructed the Office of Personnel to concentrate initially on finding reassignments for this group. Thirteen of the above 52 reassigned were in this group

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and there is strong hope for two others, while one employee did not want a reassignment.

In addition to the reassignment effort, the Agency, as you point out, is helping to locate positions outside of the Agency for anyone requesting such help. So far 84 of the total receiving separation notices have asked for such help, including some who have also requested reassignment. Unfortunately, the Agency can only be helpful in this process and it naturally takes more time to run its course than does reassignment. While only four employees have located positions outside the Agency so far, many believe they are under active consideration and will eventually receive employment offers.

Finally, with respect to your implication that 600 more employees face eventual separation in the second phase, I have been assured that nowhere near that number was ever considered and that in fact considerably fewer employees will face eventual separation than did those involved in the first phase.

Again, I appreciate and understand your concern.

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John F. Blake Deputy Director for Administration 7D 24 Hgs

5454

DDA 78-0993 9 March 1978

Director of Central Intelligence 7D 5607 Hqs

Sir:

recent authorization hearing conducted by the HPSCI, Representative Robinson approached me and gave me the attached letter addressed to him. It is obviously from Chris
We discussed it briefly and
he said he would be appreciative if I would undertake a draft reply for him.

During an interlude at the

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There is attached the draft reply requested which I have given for passage to to Robinson.

/s/ Jack Blake

John F. Blake

Atts (as stated)

Distribution:

Orig RS - DCI 1 - DDCI

1 - ER 2 - DDA Subj Chrono 1 - JFB Chrono

DDA:JFBlake:kmg (9 Mar 78)

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Dear Mr.

Your letter to me of has been studied and I would like to comment on several of the points you raise. You asked that I focus on three particular questions.

You ask that I satisfy myself that Agency representatives have been both candid and complete in their testimony to Congressional committees on the matter of the DDO reductions. I am completely satisfied with the truthfulness of the representations that have been made to me by Director Turner and other Agency officials on this matter.

Your next raised the question as to the appropriate personnel level for the DDO. I am willing to concede that the level of personnel authorized for the DDO is a matter upon which honest men may disagree. This involves, obviously, a judgmental factor. I again recently heard testimony on this matter and I find no reason to challenge the judgment that has been exercised in establishing the DDO personnel level.

As it pertains to the matter in which the first phase of the DDO cut was accomplished, Admiral Turner himself has stated that, in retrospect, it could have been handled in a more acceptable fashion. I am assured that lessons have been learned from this matter. You then go on to say whether the "200 purged, or how the next 600 will fare" have been or will be affected on this matter. I believe there are some facts available which put this matter in a different light. Of the total individuals who received notices

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| of separation from the Directorate, but not the Agency, I am |
|--|
| informed that have already been assigned to other Agency |
| positions. Additionally,people\possessed an eligibility |
| for an immediate annuity. This obviously has lessened the impact |
| on them. When it comes to the number of individuals who have |
| successfully found employment outside of the Agency, I am informed |
| that the Agency is working with who are seriously interest |
| in pursuing this matter. I think both of us must realize that this |
| is a matter in which the Agency only can be helpful but cannot |
| ultimately control. You infer that 600 additional people will be |
| separated, I can assure you, Mr. , that nowhere near that |
| number is being considered and indeed only a considerable lesser |
| number are involved than were in the first exercise. |

I can appreciate your sincere concern in this matter as well as your personal involvement. Personnel reductions, under any conditions, are painful exercises troubling both management and the people involved. As I mentioned before, however, I have followed this matter and have no particular criticism to level on Agency action to date.

Sincerely,

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